

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

FEB 26 2004

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

WS-01689A
Clear Springs Utility Company, Inc.
P. O. Box 85160
Tucson AZ 85754-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
-----------	-----------	-------------

FOR COMMISSION USE

Ann04	03
--------------	-----------

COMPANY INFORMATION

Company Name (Business Name) Clear Springs Utility Company--Water Division		
Mailing Address 2102 N. Forbes #107		
Tucson	AZ	85745
(City)	(State)	(Zip)
520-624-4404	520-792-0377	
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address		
Local Office Mailing Address same		
(City)	(State)	(Zip)
Local Office Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address		

MANAGEMENT INFORMATION

Management Contact: Southwestern Utility Management, Inc.		
(Name)	(Title)	
2102 N. Forbes #107	Tucson	AZ
(Street)	(City)	(State)
85745		
(Zip)		
520-624-4404	520-792-0377	
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address		
On Site Manager: Raymond Maldonado		
(Name)		
2102 N. Forbes, #107	Tucson	AZ
(Street)	(City)	(State)
85745		
(Zip)		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address		

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent Ezra H. Lewis			
(Name)			
2102 N. Forbes, #107	Tucson	AZ	85745
(Street)	(City)	(State)	(Zip)
520-624-4404	520-792-0377		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney: Hugh A. Holub			
(Name)			
177 N. Church Ave. #913	Tucson	AZ	85701
(Street)	(City)	(State)	(Zip)
520-792-1488			
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to you company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-Op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-Op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

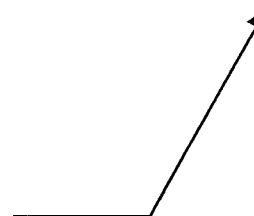
- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D (OC less AD)
301	Organization	1,625	---	1,625
302	Franchises			
303	Land and Land Rights	210	---	210
304	Structures and Improvements	29,171	15,016	14,155
307	Wells and Springs	164,103	137,263	26,840
311	Pumping Equipment	120,589	102,285	18,304
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	111,843	64,949	46,894
331	Transmission and Distribution Mains	268,672	268,672	---
333	Services	94,814	50,663	44,151
334	Meters and Meter Installations	63,116	51,559	11,557
335	Hydrants	9,850	9,388	462
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	3,274	2,647	627
341	Transportation Equipment	18,973	14,234	4,739
343	Tools, Shop and Garage Equipment	6,518	6,518	---
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	892,758	723,194	169,564

This amount goes on the Balance Sheet Acct. No. 108

See Accountants' Report.



CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,625		---
302	Franchises			
303	Land and Land Rights	210	---	---
304	Structures and Improvements	29,171	5%	1,459
307	Wells and Springs	164,103	5%	8,205
311	Pumping Equipment	120,589	5%	6,029
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	11,843	5%	5,592
331	Transmission and Distribution Mains	**268,672	5%	2,733
333	Services	94,814	5%	4,740
334	Meters and Meter Installations	63,116	5%	3,156
335	Hydrants	9,850	5%	493
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	3,274	5%	164
341	Transportation Equipment	18,973	5%	941
343	Tools, Shop and Garage Equipment	*6,518	---	---
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	892,758		33,512

Less: Amortization of Contributions in Aid of Construction

(11,329)
14,622

This amount goes on Comparative statement of Income and Expense
Acct. No. 403.

*Fully depreciated

**Some costs are fully depreciated

See Accountants' Report.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 13,635	\$ 9,242
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	14,547	8,587
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	8,228	8,228
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	6,547	6,547
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 42,957	\$ 32,604
	FIXED ASSETS		
101	Utility Plant in Service	\$ 855,316	\$ 892,758
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(623,185)	(723,194)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 232,131	\$ 169,564
	TOTAL ASSETS	\$ 275,088	\$ 202,168

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 352	\$ 7,075
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	12,773	16,599
236	Accrued Taxes	650	650
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		12,382
	TOTAL CURRENT LIABILITIES	\$ 13,775	\$ 36,706
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes Payable	\$ 76,828	\$ 74,652
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	64,954	64,589
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	226,579	226,579
272	Less: Amortization of Contributions	(211,304)	(222,633)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 80,229	\$ 68,535
	TOTAL LIABILITIES	\$ 170,832	\$ 179,893
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,000	\$ 1,000
211	Paid in Capital in Excess of Par Value	1,819,934	1,819,934
215	Retained Earnings	(1,716,678)	(1,798,659)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 104,256	\$ 22,275
	TOTAL LIABILITIES AND CAPITAL	\$ 275,088	\$ 202,168

Retained Earnings 1/1/03	(1,716,678)
Dividends Paid	(13,856)
Adjustments to Plant and Accumulated Depr.	(65,788)
Loss for 2003	(2,337)
Retained Earnings 12/31/03	(1,798,659)

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 149,215	\$ 155,107
460	Unmetered Water Revenue		
474	Other Water Revenue	2,180	2,559
	TOTAL REVENUES	\$ 151,395	\$ 157,666
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	18,577	21,905
618	Chemicals	76	87
620	Repairs and Maintenance	4,079	7,616
621	Office Supplies and Expense	4,482	5,393
630	Outside Services	69,408	77,269
635	Water Testing	3,731	2,789
641	Rents		
650	Transportation Expense	3,694	5,470
657	Insurance – General Liability	2,669	2,647
659	Insurance – Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	106	
403	Depreciation Expense	14,622	22,183
408	Taxes Other Than Income	45	
408.11	Property Taxes	9,589	10,091
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 131,078	\$ 155,450
	OPERATING INCOME/(LOSS)	\$ 20,317	\$ 2,216
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 4	\$ 6
421	Non-Utility Income	1,074	1,299
426	Miscellaneous Non-Utility Income		
427	Interest Expense	(5,438)	(5,858)
	TOTAL OTHER INCOME/(EXPENSE)	\$ (4,360)	\$ (4,553)
	NET INCOME/(LOSS)	\$ 15,957	\$ (2,337)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	6/01/01			
Source of Loan	W.I.F.A.			
ACC Decision No.	62583			
Reason for Loan	Finance Water System Improvements			
Dollar Amount Issued	\$ 80,000.00	\$	\$	\$
Amount Outstanding	\$ 74,652.00	\$	\$	\$
Date of Maturity	6/01/21			
Interest Rate	6.75%	%	%	%
Current Year Interest	\$ 5,300.00	\$	\$	\$
Current Year Principal	\$ 2,176.00	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 13,170.90

Meter Deposits Refunded During the Test Year \$ 1,856.10

COMPANY NAME Clear Springs Utility - Water Division

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-603877	125	800	700	16	6	1964
55-604034	75	450	532	12	6	1970
55-502128	30	225	800	16	6	1982
55-603879	5	25	442	6	None	1966
55-588414	10	40	505	8	2	2001
55-603882 55-603880	5 5	18 25	675 560	8/6 6	None None	1970 1969

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
20	2	73	
3	1		
5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100,000	1	5,000	4
12,500	2	1,000	2
1,000	1	3,000	1
		100	1

COMPANY NAME

Clear Springs Utility - Water Division

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2	Galvanized	200
3	PVC	360
4	PVC	3050
5		
6	PVC	1620
8	PVC	180
10	AC	6985
12	AC	200
2	PVC	871
3	AC	10698
4	AC	10520
6	AC	34195
8	AC	5650

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	521
3/4	5
1	16
1 1/2	8
2	3
Comp. 3	1
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

None

STRUCTURES:

1313 Treasure Rd.

OTHER:

6 cyl Natural Gas Pump Motor

2" Trash Pump

Compressor

Wacker Compressor

7 kw Generator

COMPANY NAME: Clear Springs Utility - Water Division

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	543	2625320	3131
FEBRUARY	543	2498620	3126
MARCH	545	2474790	2971
APRIL	545	3971440	4152
MAY	547	4585410	4930
JUNE	550	6286080	6286
JULY	551	5726230	6298
AUGUST	551	4534000	5613
SEPTEMBER	551	4433820	5157
OCTOBER	551	4548180	5291
NOVEMBER	551	4003430	4355
DECEMBER	554	2528720	3013
TOTAL		N/A	54323

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (x) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes () No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. ≤ 0.0030 mg/l

(If more than one well, please list each separately)

0.0044 mg/l

0.0032 mg/l

≤ 0.0030 mg/l

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME CLEAR SPRINGS UTILITY CO.--WATER DIV.

YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2003 was \$ 10,090.73

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property tax paid, explain why. _____

INCOME TAXES

For this reporting period, please provide the following:

FEB 26 2004

Federal Taxable Income Reported	<u>S Corporation</u>
Estimated or Actual Federal Tax Liability	<u></u>
State Taxable Income Reported	<u>S Corporation</u>
Estimated or Actual State Tax Liability	<u></u>
Amount of Grossed-Up Contributions/Advances:	
Amount of Contributions/Advances	<u>291,168</u>
Amount of Gross-Up Tax Collected	<u></u>
Total Grossed-Up Contributions/Advances	<u></u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Ezra H. Lewis
SIGNATURE

2/23/04
DATE

EZRA H. LEWIS
PRINTED NAME

PRESIDENT
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

FEB 26 2004

**VERIFICATION
STATE OF**

ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)

PIMA

NAME (OWNER OR OFFICIAL) TITLE

EZRA H. LEWIS, PRESIDENT

COMPANY NAME

CLEAR SPRINGS UTILITY COMPANY--WATER
DIVISION

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 167,803.78

**(THE AMOUNT IN THE BOX ABOVE
INCLUDES \$ 9,937.62
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

Ezra H. Lewis
SIGNATURE OF OWNER OR OFFICIAL

520-623-5172
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

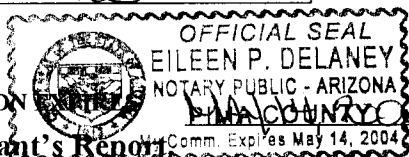
23rd

DAY OF

(SEAL)

MY COMMISSION

See Accountant's Report



COUNTY NAME

PIMA

MONTH

FEB

2004

Eileen P. Delaney
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

FEB 26 2004

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

(COUNTY NAME) PIMA	
NAME (OWNER OR OFFICIAL) EZRA H. LEWIS	TITLE PRESIDENT
COMPANY NAME CLEAR SPRINGS UTILITY COMPANY--WATER DIV.	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS. PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01 ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 139,950.22

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 8,268.16

IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

Ezra H. Lewis
SIGNATURE OF OWNER OR OFFICIAL

520-623-5172
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS**

23RD

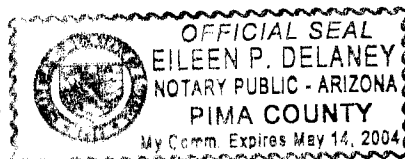
DAY OF

NOTARY PUBLIC NAME EILEEN P. DELANEY	
COUNTY NAME PIMA	
MONTH FEB	YEAR 2004

(SEAL)

MY COMMISSION EXPIRES

See Accountants' Report



X *Eileen P. Delaney*
SIGNATURE OF NOTARY PUBLIC

MARSHA BONHAM
COCHISE CO TREASURER
P O BOX 1778
BISBEE AZ 85603

TAX ROLL NUMBER	110648
PARCEL IDENTIFICATION	905-32-270 9
TAX AREA CODE	2270

CLEAR SPRINGS UTILITY CO
P O BOX 85160
TUCSON AZ 85754

RECEIPT REQUESTED (✓)

*IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW.
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.
ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

2nd HALF TAXES	467.04
----------------	--------

NOTE: 2nd HALF TAXES DELINQUENT AFTER MAY 1, 2003



0290532270009200200000046704

DOR Form PTXBL (5/2002)

MARSHA BONHAM
COCHISE CO TREASURER
P O BOX 1778
BISBEE AZ 85603

TAX ROLL NUMBER	110649
PARCEL IDENTIFICATION	905-32-278 3
TAX AREA CODE	2278

CLEAR SPRINGS UTILITY CO
P O BOX 85160
TUCSON AZ 85754

RECEIPT REQUESTED (✓)

*IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW.
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.
ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

TO PAY 2ND HALF	PAY	4,364.98
-----------------	-----	----------

NOTE: 2nd HALF TAXES DELINQUENT AFTER MAY 1, 2003



02905322780032002000000436498

DOR Form PTXBL (5/2002)

CLEAR SPRINGS UTILITY CO. INC.
PHONE 623-5172
P. O. BOX 85160
TUCSON, AZ 85754

WELLS FARGO BANK
TUCSON, AZ 85745
91-527/1221

4/17/2003

PAY TO THE
ORDER OF Marsha Bonham - Cochise Co. Treasurer

\$**4,832.02

Four Thousand Eight Hundred Thirty-Two and 02/100***** DOLLARS

Marsha Bonham - Cochise Co. Treasurer

VOID AFTER 90 DAYS

MEMO

⑈001492⑈ ⑆122105278⑆0719902645⑈

CLEAR SPRINGS UTILITY CO. INC.

1492

Marsha Bonham - Cochise Co. Treasurer

4/17/2003

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
04.17.2003	Bill	905-32-270 9	467.04	467.04		467.04
04.17.2003	Bill	905-32-278 3	4,364.98	4,364.98		4,364.98
					Check Amount	4,832.02

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

MARSHA BONHAM
COCHISE CO TREASURER
P O BOX 1778
BISBEE AZ 85603

TAX ROLL NUMBER	111359
PARCEL IDENTIFICATION	905-32-278 3
TAX AREA CODE	2278

CLEAR SPRINGS UTILITY CO RECEIPT REQUESTED ☒
P O BOX 85160
TUCSON AZ 85754

IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW.
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.
ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

2003 2ND-HALF COUPON

TO PAY 2ND HALF PAY 4,786.21

NOTE: 2nd HALF TAXES DELINQUENT AFTER MAY 1, 2004



0290532278003200300000004786

DD Form PTXRI (4/2003)

1623

CLEAR SPRINGS UTILITY CO. INC.
PHONE 623-5172
P.O. BOX 85160
TUCSON, AZ 85754

WELLS FARGO BANK
TUCSON, AZ 85745
91-527/1221

10/28/2003

PAY TO THE ORDER OF Marsha Bonham - Cochise Co. Treasurer

\$ **4,786.21

Four Thousand Seven Hundred Eighty-Six and 21/100***** DOLLARS

Marsha Bonham - Cochise Co. Treasurer

VOID AFTER 90 DAYS

MEMO

1st half tax, Parcel ID: 905-32-278 3

AUTHORIZED SIGNATURE

⑈001623⑈ ⑆122105278⑆0719902645⑈

CLEAR SPRINGS UTILITY CO. INC.

Marsha Bonham - Cochise Co. Treasurer

Date Type Reference
09/29/2003 Bill

Original Amt.
4,786.21

Balance Due
4,786.21

10/28/2003
Discount
Check Amount

Payment
4,786.21
4,786.21

1623

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

MARSHA BONHAM
COCHISE CO TREASURER
P O BOX 1778
BISBEE AZ 85603

TAX ROLL NUMBER	111358
PARCEL IDENTIFICATION	905-32-270 9
TAX AREA CODE	2270

CLEAR SPRINGS UTILITY CO
P O BOX 85160
TUCSON AZ 85754

RECEIPT REQUESTED ☒

IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW.
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.
ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

2003 2ND-HALF COUPON

TO PAY 2ND HALF PAY 472.52

NOTE: 2nd HALF TAXES DELINQUENT AFTER MAY 1, 2004



02905322700092003000000000472

DOB Form BTR 11/1/2003

CLEAR SPRINGS UTILITY CO. INC.
PHONE 623-5172
P.O. BOX 85160
TUCSON, AZ 85754

WELLS FARGO BANK
TUCSON, AZ 85745
91-527/1221

1622

10/28/2003

PAY TO THE ORDER OF Marsha Bonham - Cochise Co. Treasurer

\$ **472.50

Four Hundred Seventy-Two and 50/100*****

DOLLARS

Marsha Bonham - Cochise Co. Treasurer

VOID AFTER 90 DAYS

MEMO

1st Half tax, Parcel ID: 905-32-270 9

AUTHORIZED SIGNATURE

⑈001622⑈ ⑆122105278⑆0719902645⑈

CLEAR SPRINGS UTILITY CO. INC.

Marsha Bonham - Cochise Co. Treasurer

10/28/2003

1622

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
09/29/2003	Bill		472.50	472.50		472.50
				Check Amount		472.50

HOLM, HESTAND & VALENZUELA, CPAs, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
3131 NORTH COUNTRY CLUB ROAD, SUITE 109
TUCSON, ARIZONA 85716

DOUGLAS R. HOLM, CPA
EMMA K. HESTAND, CPA
JANETTE G. VALENZUELA, CPA

TELEPHONE: (520) 326-8483
FAX: (520) 795-5191
E-MAIL: HHVCPA@EARTHLINK.NET

COMPILATION ENGAGEMENT REPORT

We have compiled the balance sheets of Clear Springs Utility Company--Water Division as of December 31, 2003 and 2002, and the related comparative statements of income and expense for years then ended, included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission--Utilities Division information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and the supplementary information are presented in accordance with the requirements of the Arizona Corporation Commission--Utilities Division which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

Holm, Hestand-Valenzuela CPAs P.C.

February 6, 2004